

UNITED STATES DEPARTMENT OF JUSTICE  
WASHINGTON, D.C. 20530

SUPPLEMENTAL STATEMENT

*Pursuant to Section 2 of the Foreign Agents  
Registration Act of 1938, as Amended*

For Six Month Period Ending June 30, 1972  
(Insert date)

Name of Registrant

Registration No.

United States-Japan Trade Council

929

Business Address of Registrant

1000 Connecticut Avenue, N.W., Washington, D. C. 20036

I - REGISTRANT

1. Has there been a change in the information previously furnished in connection with the following:

(a) If an individual:

(1) Residence address	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(2) Citizenship	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(3) Occupation	Yes <input type="checkbox"/>	No <input type="checkbox"/>

(b) If an organization:

(1) Name	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(2) Ownership or control	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(3) Branch offices	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

2. Explain fully all changes, if any, indicated in Item 1.

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, and 5.

3. Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name

Position

Date Connection  
Ended

4. Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? ☐ Yes ☒ No

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Citizenship</i>	<i>Position</i>	<i>Date Assumed</i>
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5. Has any person named in Item 4 rendered services directly in furtherance of the interests of any foreign principal? Yes ☐ No ☒

If yes, identify each such person and describe his services.

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6. Have any employees or individuals other than officials, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

<i>Name</i>	<i>Position or connection</i>	<i>Date terminated</i>
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7. During this 6 month reporting period, have any persons been hired as employees or in any other capacity by the registrant who rendered services to the registrant directly in furtherance of the interests of any foreign principal in other than a clerical or secretarial, or in a related or similar capacity? Yes ☒ No ☐

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Position or connection</i>	<i>Date connection began</i>
Donald Lerch & Co. Inc.	1101 17th St., N.W. Washington, D.C. 20036	agricultural public relations	April 1, 1972

## II - FOREIGN PRINCIPAL

8. Has your connection with any foreign principal ended during this 6 month reporting period?

Yes ☐ No ☒

If yes, furnish the following information:

*Name of foreign principal*

*Date of Termination*

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9. Have you acquired any new foreign principal<sup>1</sup> during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish following information:

*Name and address of foreign principal*

*Date acquired*

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10. In addition to those named in Items 8 and 9, if any, list the foreign principals<sup>1</sup> whom you continued to represent during the 6 month reporting period.

**Japanese Government**

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## III - ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 8, 9, and 10 of this statement? Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail your activities and services:

**Japanese Government**

**see attachment**

**pages 1 - 12**

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<sup>1</sup> The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual or organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9)).

A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those foreign principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity<sup>2</sup> as defined below?

Yes ☐ No ☒

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

**Japanese Government**

**The answer to Item 11 has listed all of the activities of the registrant during the period in question. Some, but not all, of these activities constituted "political propaganda" within the meaning of the Act.**

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals?

Yes ☐ No ☒

If yes, describe fully.

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<sup>2</sup> The term "political activities" means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

# IV - FINANCIAL INFORMATION

## 14. (a) RECEIPTS - MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise?

Yes ☒ No ☐

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.<sup>3</sup>

Date	From Whom	Purpose	Amount
Jan. 6, 1972	Japanese Government, through	For promotion of the	\$21,659.98
Feb. 2, 1972	the Japan Trade Promotion	interests of the Govern-	80,000.00
March 13, 1972	Office	ment of Japan in the	18,000.00
Mar. 13, 1972	" " " "	fields described in	49,950.00
March 27, 1972	" " " "	Exhibit B of the	24,137.00
April 4, 1972	" " " "	Registration Statement	5,656.68
April 4, 1972	" " " "	" " "	2,250.00
April 12, 1972	" " " "	" " "	4,096.00
May 9, 1972	" " " "	" " "	5,868.00
June 8, 1972	" " " "	" " "	80,000.00
June 30, 1972	" " " "	" " "	33,418.00
June 30, 1972	" " " "	" " "	22,150.00

Note: In addition to the above, \$13,655.00 was received from members in the form of membership dues. This sum was not received to be used in the interests of the foreign principal, but is reported here in order to make full disclosure of receipts.

Total \$347,185.66

## 14. (b) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value<sup>4</sup> other than money from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal?

Yes ☐ No ☒

If yes, furnish the following information:

Name of foreign principal	Date received	Description of thing of value	Purpose
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<sup>3</sup> A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. See Rule 201(e).

<sup>4</sup> Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMENTS - MONIES

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 8, 9 and 10 of this statement? Yes ☒ No ☐

(2) transmitted monies to any such foreign principal? Yes ☐ No ☒

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To Whom	Purpose	Amount
January 1, 1972	Stephen Cohen	salary	\$9,963.78
June 30, 1972	Katsuhiro Fujiwara	"	7,288.84
" " "	Noel Hemmendinger	"	8,267.31
" " "	Susan MacKnight	"	5,999.76
" " "	Allan Schlosser	"	10,065.00
" " "	Nelson Stitt	"	9,259.62
" " "	Allen Taylor	"	13,975.44
" " "	various clerical and research personnel	salaries	24,589.70
" " "	Scott Runkle	general public relations	12,822.62
" " "	Philip van Slyck	" " "	10,716.68
" " "	Charles von Loewenfeldt Inc.	" " "	90,068.84
" " "	Donald Lerch & Co., Inc.	agricultural public relations & Agricultural Conference	11,115.22
" " "	Stitt, Hemmendinger & Kennedy	legal and research	7,200.00
" " "	William Dazey	South West rep.	2,400.00
" " H. Okada	For operating the Japan Trade Promotion Office		1,400.00
" " "	Statler Hilton Hotel	Agricultural Conference	2,664.72
" " "	GHI	hospital insurance	4,147.85
" " "	H. G. Smithy	rent	9,000.00
" " "	various	books and publications	3,119.01
" " "	various	office equipment	2,506.80
" " "	various	general office	1,991.70
" " "	various	insurance and taxes	5,594.20
" " "	"	statistical data and miscellaneous services	5,333.04
" " "	"	travel	2,878.99
" " "	"	research and reports	4,511.67
" " "	"	pamphlets and related	8,366.51
" " "	"	postage and phone	11,155.58
" " "	"	social, memberships, etc.	4,605.74
" " "	"	special trips to Japan	174.36

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Total \$291,182.98

15. (b) DISBURSEMENTS - THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value<sup>5</sup> other than money in furtherance of or in connection with activities on behalf of any foreign principal named in items 8, 9 and 10 of this statement?

Yes ☐ No ☒

If yes, furnish the following information:

<i>Date disposed</i>	<i>Name of person to whom given</i>	<i>On behalf of what foreign principal</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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(c) DISBURSEMENTS - POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value<sup>5</sup> in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office? Yes ☐ No ☒

If yes, furnish the following information:

<i>Date</i>	<i>Amount or thing of value</i>	<i>Name of political organization</i>	<i>Name of candidate</i>
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V - POLITICAL PROPAGANDA

(Section 1(j) of the Act defines "political propaganda" as including any oral, visual, graphic, written, pictorial, or other communication or expression by any person (1) which is reasonably adapted to, or which the person disseminating the same believes will, or which he intends to, prevail upon, indoctrinate, convert induce, or in any other way influence a recipient or any section of the public within the United States with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States or promote in the United States racial, religious, or social dissensions, or (2) which advocates, advises, instigates, or promotes any racial, social, political, or religious disorder, civil riot, or other conflict involving the use of force or violence in any other American republic or the overthrow of any government or political subdivision of any other American republic by any means involving the use of force or violence.)

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any political propaganda as defined above? Yes ☒ No ☐

IF YES, RESPOND TO THE REMAINING ITEMS IN THIS SECTION V.

17. Identify each such foreign principal.

Japanese Government  
Foreign Ministry  
Tokyo, Japan

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<sup>5</sup> Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating political propaganda?  
Yes ☒ No ☐

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

Japanese Government

Approximately \$115,000.00 (estimated on basis of ratio to total activities) - six month period

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of political propaganda include the use of any of the following:

☒ Radio or TV broadcasts ☒ Magazine or newspaper articles ☐ Motion picture films ☒ Letters or telegrams  
☐ Advertising campaigns ☒ Press releases ☒ Pamphlets or other publications ☒ Lectures or speeches

☐ Other (specify) \_\_\_\_\_

20. During this 6 month reporting period, did you disseminate or cause to be disseminated political propaganda among any of the following groups:

☒ Public Officials ☒ Newspapers ☒ Libraries  
☒ Legislators ☒ Editors ☒ Educational institutions  
☒ Government agencies ☒ Civic groups or associations ☐ Nationality groups

☐ Other (Specify) \_\_\_\_\_

21. What language was used in this political propaganda:

☒ English

☐ Other (specify) \_\_\_\_\_

22. Did you file with the Registration Section, Department of Justice, two copies of each item of political propaganda material disseminated or caused to be disseminated during this 6 month reporting period?

Yes ☒ No ☐

23. Did you label each item of such political propaganda material with the statement required by Section 4(b) of the Act? Yes ☒ No ☐

24. Did you file with the Registration Section, Department of Justice, a Dissemination Report for each item of such political propaganda material as required by Rule 401 under the Act?

Yes ☒ No ☐

## VI - EXHIBITS AND ATTACHMENTS

### 25. EXHIBITS A AND B

- (a) Have you filed for each of the newly acquired foreign principals in Item 9 the following:

Exhibit A<sup>6</sup> Yes ☐ No ☐

not applicable

Exhibit B<sup>7</sup> Yes ☐ No ☐

If no, please attach the required exhibit.

- (a) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period?

Yes ☒ No ☐

If yes, have you filed an amendment to these exhibits? Yes ☐ No ☒

If no, please attach the required amendment.

<sup>6</sup> The Exhibit A, which is filed on Form OBD-67 (Formerly DJ-306) sets forth the information required to be disclosed concerning each foreign principal.

<sup>7</sup> The Exhibit B, which is filed on Form OBD-65 (Formerly DJ-304) sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.



26. EXHIBIT C

If you have previously filed an Exhibit C<sup>8</sup>, state whether any changes therein have occurred during this 6 month reporting period.

Yes ☐ No ☒

If yes, have you filed an amendment to the Exhibit C? Yes ☐ No ☐

If no, please attach the required amendment.

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27. SHORT FORM REGISTRATION STATEMENT

Have short form registration statements, been filed by all of the persons named in Items 5 and 7 of the supplemental statement?

Yes ☒ No ☐


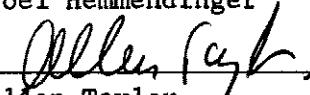
If no, list names of persons who have not filed the required statement.

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The undersigned swear(s) or affirm(s) that he has (they have) read the information set forth in this registration statement and the attached exhibits and that he is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in attached Short Form Registration Statement, if any, insofar as such information is not within his (their) his (their) personal knowledge.

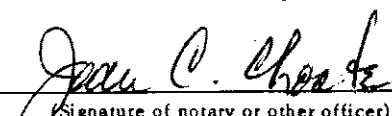
(Type or print name under each signature)

(Both copies of this statement shall be signed and sworn to before a notary public or other person authorized to administer oaths by the agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions who are in the United States, if the registrant is an organization.)

  
Noel Hemmendinger  
  
Allen Taylor

Subscribed and sworn to before me at Washington, D. C.

this 3rd day of September, 19 76

  
(Signature of notary or other officer)  
My commission expires June 30, 1977

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<sup>8</sup> The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, constitution, and bylaws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause shown upon written application to the Assistant Attorney General, Criminal Division, Internal Security Section, Department of Justice, Washington, D.C. 20530.

## Answers to Questions 11 and 12

### 1. Council Reports

(See preface to answer to Question 11, Section 1 (Council Reports) in Supplemental Statement for period ending June 30, 1971.)

#### Congressional Reports

From January 1 through June 30, 1972, the Council issued 108 daily reports on Congressional activities of interest. (Nos. 1-108)

#### Council Reports

During the period, the Council prepared 43 Council Reports of a general nature. (Nos. 1-43)

- 1 Chief Presidential Advisor on International Economic Policy Releases  
Major Statement
- 2 Increases in Customs Valuations Because of Revaluations
- 3 The United States and Japan Sign Man-Made Fiber and Wool Textile Agreement
- 4 Japanese Government Earmarks \$659 Million Adjustment Assistance to  
Textile Agreement
- 5 Dock Strike Bulletin
- 6 Recent Customs and Tariff Commission Actions
- 7 Current Prospects for Trade Legislation
- 8 Hearings Begin on Dock Strike Proposal: Action Urgently Required
- 9 President's Council of Economic Advisers Discusses U.S. Trade Policy
- 10 The Outlook for the U.S. Trade Balances in 1972
- 11 Japan and the European Community Agree to Additional Economic Liberali-  
zation Measures
- 12 U.S. Exports to and Imports from Japan, by Commodity, January-September 1971
- 13 The President's State of the World Message Considers Japan and U.S.  
International Economic Policy
- 14 Recent Customs and Tariff Commission Actions
- 15 U.S. Exports and Imports, by Country, January-December 1971
- 16 Suit Filed Against Import Surcharge
- 17 U.S. Exports, by Commodity, January-December 1971
- 18 U.S. Imports, by Commodity, January-December 1971
- 19 Statement by Assistant Secretary on Antidumping Act
- 20 The Short-Term Outlook for U.S. Trade Policy
- 21 Recent Customs and Tariff Commission Actions
- 22 Joint Economic Committee Report Discusses U.S. International Economic  
Policy
- 23 Treasury Announcement on Effects of Revaluation on Administration of  
Antidumping Act
- 24 Japan's Worldwide Exports and Imports, January-December 1971
- 25 Treasury Proposes to Tighten Dumping Regulations

- 26 Presidential Proclamation Raises Duties on Dinnerware
- 27 House to Vote on Protectionist Bill; Action Urgently Required
- 28 Recent Customs and Tariff Commission Actions, March 18 - April 26, 1972
- 29 Commerce and State Departments Assess Economic Costs of the Hartke-Burke Bill
- 30 House Kills Protectionist Minimum Wage Bill
- 31 Treasury Issues Countervailing Duty Proceeding Notice on Certain Electronic Products from Japan
- 32 Study of Sales Below Cost of Production Under Antidumping Regulations
- 33 Conference Hears Officials Discuss U.S. Trade Policy
- 34 Legal Action Taken Against Steel Export Restraints
- 35 Treasury Countervailing Duties Investigation; Summary of Complaint Against Japanese Electronics
- 36 Japanese Export Incentives
- 37 House Panel Concludes Adjustment Assistance Hearings
- 38 Japanese Trading Mission Seeks to Increase U.S. Exports to Japan
- 39 U.S. Exports to Japan, by Commodity, January-December 1971
- 40 Recent Customs and Tariff Commissions Actions, April 27 - June 1, 1972
- 41 U.S. Imports from Japan, by Commodity, January-December 1971
- 42 Council's Comments on Proposed Revisions of Antidumping Regulations
- 43 U.S. Exports and Imports, by Country, January-March 1972

#### Trade Roundups

During the period, the Council issued ten reports in a series entitled "U.S.-Japan Trade Roundup," describing activities in Congress and in the Executive agencies affecting U.S.-Japan trade.

## 2. Publications and Research

( See preface to answer to Question 11, Section 2 (Publications and Research) in Supplemental Statement for period ending June 30, 1971. )

### Publications

#### How the American Press Views Japan

A collection of 25 newspaper articles and columns relating to Japan from leading papers all over the country during the latter half of 1971. 25,000 copies circulated to the entire mailing list.

#### United States-Japan: A Comparison of Trade and Economic Data, 1970

The third in a series of annual publications comparing the economies of the two countries. 25,000 copies to the entire mailing list.

The Japanese Economy: Present Realities and Future Directions

This is a summary prepared by the Council of the highlights of the annual Economic White Paper on the Japanese economy. 2,000 copies circulated to a selected mailing list. The Japan Society of New York informed its members of the availability of the summary, and the Council has received to date more than 100 requests for it from Society members.

U.S.-Japan Agricultural Newsletter

The winter 1972 edition of the Council's semiannual newsletter, circulated to about 10,000 members of farm commodity groups, agricultural agents, etc. Cost to write, produce and distribute -- \$3,500.

United States Exports to Japan by Customs District of Shipment, 1971

The Council's annual statistical analysis of U.S. exports to Japan by SITC sections, divisions and groups. 25,000 copies circulated.

United States Imports from Japan by Customs District of Entry, 1971

A similar analysis of imports. 5,000 copies circulated to selected groups from the Council's mailing list.

Can America Meet the Japanese Challenge?

The text of an address given at the Mid-America World Trade Conference in Chicago by William Givens of the Boston Consulting Group. 25,000 copies circulated.

Insight on Doing Business with the Japanese

A series of 15 interviews with American businessmen with long experience in dealing with Japan. 25,000 copies distributed.

Consumers: Beware of Import Restrictions!

Scott Runkle prepared for the American Importers Association a booklet entitled "Consumers: Beware of Import Restrictions". The booklet was sponsored by the Consumer Education Council on World Trade, made up of a number of public service oriented groups. The Council circulated 18,000 copies to its mailing list, without indicating that the pamphlet was prepared by someone having a connection with the Council.

Could Foreign Competition Take My Job?

A pamphlet published by the U.S. Chamber of Commerce. The Council circulated 15,000 copies to its own mailing list.

## Research

Research was conducted on Japan's share of the U.S. market in various commodities, especially consumer goods, with the objective of determining whether the Japanese market share has begun to decline in certain products in the face of competition from lower cost countries.

The Research Institute of America, with the Council's permission, included in its weekly newsletter to its members a summary of a Council report listing Japanese tariff reductions. The Council received numerous requests from U.S. business firms for a full copy of the report.

Council staff prepared a series of memoranda for the Japanese Government and for use by the Council staff on various subjects of interest in the trade field, as follows:

- Possible Areas of Economic Research
- U.S.-Japan Bilateral Trade Balance, 1971
- Senate Staff Trip to Japan
- U.S. Trade in 1972 -- An Extreme Scenario
- Secretary Connally's Testimony before the Joint Economic Committee
- Highlights of Peterson's Testimony before the Senate Commerce Committee
- Joint Economic Committee Hearings of February 22
- Long-Term Outlook for U.S. Trade Policy
- Status of the Dent Bill
- Highlights of TACC Meetings of January 14, 21, February 4, 11, March 10, 24
- Commentary on Title III of H.R. 7130
- Possible Areas of Economic Research by the Boston Consulting Group
- Current Trade Activities in the Executive Branch
- Dent Minimum Wage Bill
- Possible Implication for U.S. Foreign Economic Policy of Secretary Connally's Resignation
- Dr. Kissinger's Trip to Japan
- U.S. Export Incentives
- Major Democratic Candidates on Trade
- Medium Term Trade Policy Outlook
- Highlights of TACC Meetings of May 14, 19, June 16

Interviews were conducted by Charles von Loewenfeldt with American businessmen operating in Japan, in preparation for a pamphlet to be published soon.

Research conducted on imports and exports by customs district for pamphlets to be published soon.

Research conducted on Japanese trade with China, dependency of Japan on imports and comparative study of Japanese and foreign tariffs.

Council wrote to major embassies in Washington soliciting information about U.S. barriers to exports from their countries. If enough material is obtained, Council intends to publish it.

Fact Sheet No. 13 "Chronology of Japanese Liberalization" was published on March 24.

Research conducted on U.S. and Japanese government assistance to exports in preparation for a submission to the Treasury Department on its countervailing duties investigation.

Research conducted for magazine articles on the future of U.S.-Japan trade, trade barriers on both sides, and the arithmetic of the U.S. trade and payment balances.

Scott Runkle prepared for the American Importers Association a booklet entitled "Consumers: Beware of Import Restrictions". The booklet was sponsored by the Consumer Education Council on World Trade, made up of a number of public service oriented groups. The Council circulated 18,000 copies to its mailing list, without indicating that the pamphlet was prepared by someone having a connection with the Council.

Council briefed members of the advance team of the Mission to Promote U.S. Exports to Japan, which was making preparations for a visit by the Mission to a number of U.S. cities during May to stimulate U.S. exports to Japan.

### 3. Representation and Lobbying

(See preface to answer to Question 11, Section 3 (Representation and Lobbying) in Supplemental Statement for period ending June 30, 1971.)

The Council sent to its list of approximately 400 key administration officials Council Report No. 10 "The Outlook for the U.S. Trade Balance in 1972" and No. 11 "Japan and the European Community Agree to Additional Economic Liberalization Measures." The latter report contained a comprehensive survey of recent Japanese trade liberalization measures. Council Report No. 10 was considered by government staff economists of sufficiently high quality to circulate to members of a high level interagency committee, chaired by Undersecretary of the Treasury Volcker, which is responsible for dealing with U.S. balance of payments problems.

On February 18 the Council submitted written testimony to the Senate Commerce Committee on the proposed Export Expansion Act. In its statement, the Council expressed general support for this legislation, the purpose of which was to stimulate American exports.

On March 5, the Council wrote to the Directors of Economic Development of all 50 states offering its cooperation in working toward liberal trade policies.

On March 24, the Council submitted to the Tariff Commission a statement entitled "Chronology of Japanese Import Liberalization" which included a detailed history from its inception of Japan's liberalization measures, as well as a projection of future liberalization.

In March, the Council worked with the Emergency Committee for American Trade to generate opposition to the so-called Dent minimum wage bill, which would have authorized the President to restrict imports produced abroad under low-wage

conditions. This activity involved calls to interested persons in Texas and California to elicit calls from constituents to two key Congressmen.

In preparation for an increased lobbying effort this year to counteract protectionist legislation, the Council circulated to its subscribers a questionnaire designed to elicit information about their willingness and ability to circulate literature, contact their Congressmen, and come to Washington to testify. Members responding affirmatively will be called upon by the Council to take part in anti-protectionist activities.

The Council was active at the state level in combating state Buy-American bills and policies, the effect of which would have been to limit or prohibit procurement of foreign-made materials. William Daze<sup>ly</sup> is working in various states in the Western half of the country in conjunction with local law firms and liberal trade groups.

During May the Council prepared considerable material for use by the Republican Platform Committee and by Republican candidates for office. The material was transmitted through Carol Stitt, who is the Staff Director of the House Republican Task Force on International Economic Policy. Among the material submitted was:

- analysis of major U.S. non-tariff barriers
- analysis of the Hartke-Burke bill
- analysis of U.S. trade policy
- factors involved in the decline of U.S. trade balance
- important issues in the trade policy debate
- current U.S. trade relations with Canada, Japan and EEC
- U.S. export expansion efforts
- statistical data on U.S. trade and payment balances

Early in May Scott Runkle prepared five short speeches attacking Title III of the Dent bill, which proposed quotas on imports. Three of these speeches were given to Republican Congressmen, two to Democratic Congressmen. Material from these speeches was used in floor speeches by Congressmen Gibbons and Frelinghuysen.

On May 2, a delegation from the U.S. General Accounting Office met with the Council staff to obtain information on how U.S. exports to Japan can be increased. The GAO is an agency of Congress, and its report on this question will be made to Congress sometime this year.

On May 17, the Council sent to all members of Congress and to a list of 450 key administration officials a four-page analysis of the reasons behind the visit of a special mission from Japan to encourage U.S. exports to Japan.

On May 17, the Council sent to its list of key administration officials Council Report No. 29, containing detailed analyses by Secretary of Commerce Peterson and by the State Department of the economic costs of the Hartke-Burke bill.

In May the Council coordinated with Mr. von Loewenfeldt, in his capacity as vice president of the California Council for International Trade, an activity in which he was engaged involving obtaining letters to Congress against the Dent bill and involving his contacting other world trade groups urging similar action.

On June 1, the Council circulated throughout Washington Council Reports Nos. 35 and 36. The former provided a detailed summary of the Zenith and Magnavox complaints against Japanese electronics exports and the latter summarized an analysis by the U.S. Embassy in Tokyo of Japanese export incentives.

During the period, Council followed on the Hill the Burke-Hartke bill, dock strike, export expansion bills, minimum wage bills and Buy American procurement bills.

#### 4. Conferences

See preface to answer to Question 11, Section 4 (Conferences) in Supplemental Statement for period ending June 30, 1971.

On March 7 Council sponsored a symposium in New Orleans on "The Dynamics of the U.S.-Japan Relationship." It dealt with the potential for expanding U.S. exports to Japan. The nominal sponsor was the Chamber of Commerce of New Orleans, stated as acting in cooperation with the Board of Commissioners of New Orleans, Dillard University, Foreign Relations Association of New Orleans, International House, International Trade Mart, Japan-Louisiana Association, Japan Society, Regional Export Expansion Council, Louisiana State University, Loyola University, Mississippi Valley World Trade Council, New Orleans Board of Trade, New Orleans Clearing House Association, Southern University, Tulane University, U.S. Dept. of Commerce, U. S.-Japan Trade Council, Xavier University. Speakers included the Japanese ambassador and a Council official, who were afforded a forum to present the Japanese viewpoint on various issues. Congressman Hale Boggs was also a speaker. Approximately \$6,000 was spent on presenting this conference.

On March 27 Council sponsored in Washington, D.C. a conference on Agricultural Trade with Japan. It dealt with various issues involved in the trade in farm products between the two countries. Speakers included the Japanese ambassador and a Council official, who were afforded a forum to present the Japanese viewpoint on various issues. U.S. government officials who spoke were Secretary of Agriculture Earl Butz, Senator Lawton Chiles and Elmer Hallowell, U.S. Department of Agriculture. Approximately \$5,500 was spent on presenting this conference.

#### 5. Speeches by Council Officials

See preface to answer to Question 11, Section 5 (Speeches by Council Officials) in Supplemental Statement for period ending June 30, 1971.

On March 30 Council officials addressed a breakfast session of the National Association of State Development Agencies in Washington on the subject of increased exports to Japan and reverse investment opportunities between Japan and the United States.

On May 31 Nelson Stitt addressed a meeting of the West Coast Metal Importers Association in Los Angeles on the subject of "Steel Negotiations."



6. Preparation of Speech Drafts

(See preface to answer to Question 11, Section 6 (Preparation of Speech Drafts) in Supplemental Statement for period ending June 30, 1971.)

Philip Van Slyck drafted the following speeches for the Ambassador:

Chicago Council on Foreign Relations	February 14
Minneapolis Committee on Foreign Relations	February 15
National War College	February 17
Cleveland Committee on Foreign Relations	February 29
Mid-West World Trade Conference	March 1
Japan Society of New Orleans	March 6
The Council's New Orleans Symposium	March 7
Air Force Academy	April 12
School of International Studies at the University of Denver	April 13
Management Policy Council in Washington	May 5
Alaska-Nippon Kai in Anchorage	May 17

Van Slyck drafted the following speeches for Minister Okawara:

Industrial College of Armed Forces	January 13
World Affairs Council of San Diego	February 10
American University	March 1
Air War College	March 23
School of Advanced International Studies at Johns Hopkins University	April 10
University of Illinois	May 11
International Management and Development Institute in Washington	May 16
American Bar Association in New York	May 20
Society for Advancement of Management in Phoenix	May 23
U.S. Naval Academy	April 24

Scott Runkle drafted the following speeches:

Ambassador's speech to the Commonwealth Club in San Francisco early in January

Ambassador's speech to the American Management Association on February 3, in NY.

Ambassador's speech before the American Society for Quality Control on May 8 in Washington

Five speeches for use by Congressmen in the debate on the Dent bill. Congressmen Sam Gibbons (Fla) and Peter Frelinghuysen (N. J.) used material from Runkle's drafts in floor speeches.

Ambassador's speech at the Council's Phoenix symposium.

7. Press and Media Relations

(See preface to answer to Question 11, Section 7 (Press and Media Relations) in Supplemental Statement for period ending June 30, 1971.)

Scott Runkle

During April prepared several backgrounders for columnists and editorial writers on the potential damage to consumers from proposed protectionist legislation, as follows:

"Consumers Threatened by Protectionist Lobby Plans to Line Up Votes for Hartke-Burke Bill by Campaign Contributions"

"New Group Mobilizes to Alert Consumers to Threat from Import Quotas; Consumers Alerted to Dangers from Protectionist Lobbying"

"Minimum Wage Bill Includes Protectionist Sleeper; Would Restrict Imports from All Countries with Wages Lower than the U.S."

Prepared and submitted to syndicated columnists backgrounders entitled "Japanese Delegation Visits U.S. to Help Spur U.S. Exports to Japan; Currency Realignments, Freer Market Seen Aiding American Sales". This material was used as the basis of a column by Joseph Slevin, syndicated business columnist.

Provided material to Joseph Slevin (N.Y. Times), Tom Braden (syndicated columnist), Milton Viorst (Wash. Star and syndicated), Carl Rowan (syndicated), Hobart Rowen (Wash. Post), Roscoe Drummond (syndicated), Marquis Childs (St. Louis Post Dispatch and syndicated), Robert Novak (syndicated), Leonard Silk (editorial page N.Y. Times). This material was primarily material in opposition to Title III of Dent minimum wage bill which would have authorized restrictions on imports.

Stimulated and provided material for two columns on Japanese trade by Bruce Biosatt (Scripps-Howard) which appeared in Scripps-Howard papers March 22 and 23.

Believed to have helped to shape columns on trade and Japan by Milton Viorst and Marquis Childs.

Made suggestions with respect to manner of dealing with the Japanese to Leonard Silk, editorial writer of N. Y. Times who was being sent by the N. Y. Times to Japan.

Prepared a backgrounder entitled "Will Japan Have to Remilitarize?"

Data provided by the Council to the Associated Press about Japanese direct investment in the United States formed the basis for an AP story.

Council circulated to columnists copies of testimony on Japan before the House Foreign Affairs Committee.

8. Films

(See preface to answer to Question 11, Section 8 (Films) in Supplemental Statement for period ending June 30, 1971.)

Charles von Loewenfeldt distributed the following film clips to TV stations. This distribution was on a broad basis covering two national networks serving more than 220 stations in 50 states plus an additional 33 independent stations.

Woman Symphony Conductor	White Collar Worker
Flower Arranging	Shipyard Worker
	U.S. Products in Japan

Japan's Self Defense Forces  
Faces of Tokyo  
Pollution  
Kawabata

Approximately \$49,000 was spent on the film program during this period.

Ed Radenzell, San Francisco newspaper man, spent one month in Japan as an employee of Charles von Loewenfeldt, Inc. to produce and direct film clips.

9. Luncheons

(See preface to answer to Question 11, Section 9 (Luncheons) in Supplemental Statement for period ending June 30, 1971.)

On May 3 the Council held a luncheon in Washington in honor of a visiting group of Japanese Diet members, all members of the Agricultural Committee of the Lower House of the Diet. The luncheon was attended by Washington representatives of leading American farm organizations.

On May 30 the Council held a luncheon in honor of the Japanese mission to promote imports from the U. S., attended by officials of the Commerce and State Departments and U.S. Chamber of Commerce, as well as Congressional aides.

10. Advice to Japanese Government

(See preface to answer to Question 11, Section 10 (Advice to Japanese Government) in Supplemental Statement for period ending June 30, 1971.)

Council prepared an analysis of key products in U. S. imports from Japan by value, quantity, and average cost per unit over a three-year period beginning in 1969. The purpose was to trace the effects so far of revaluation on the price of Japanese imports into the U.S.

Council submitted a study it had commissioned from an independent economist analyzing the effects of imports on the U.S. textile industry, especially in the South.

The Council prepared a series of tables showing the following information about U.S. imports of selected products from Japan: value, quantity, average price per unit for 1969, 1970, 1971 and monthly for 1972. The objective is to trace the price effect of revaluation on several hundred key products in U.S.-Japan trade. Monthly reports on this project will continue to be made.

Council provided names of approximately 500 individuals to receive mailings of the Japan Economic Review.

Charles von Loewenfeldt

On April 3 submitted a proposed program of public relations activities for fiscal 1972-73 and a revised schedule of activities involving Ambassador Ushiba.

On April 18, May 10 and May 11 submitted memoranda on progress of current film clip project and proposals for a new film clips series.

On May 19 submitted a memo on women's groups to be invited to Japan.

On June 27 submitted a lengthy memo outlining a series of proposals for future public relations activities of a cultural nature.

Submitted a list of suggested groups of Americans that might be invited to visit Japan during the next year.

Submitted a series of proposals for future public relations activities, including seminars in the U.S. and Japan, use of American radio and television and public relations media.

Submitted a proposal for seminars for the U.S. electronics industry.

Submitted a series of memoranda relating to proposed seminars to be held with the participation of leading U.S. and Japanese scholars and political figures.

#### Philip van Slyck

Submitted a detailed analysis of the expanded public relations program to date, plus a series of recommendations for future public relations activities involving the ambassador's speaking schedule, symposia and conferences, publications, TV films and surveys of U.S. leadership attitudes.

#### Scott Runkle

Prepared a weekly series of exhaustive analyses of U.S. press coverage on Japan and Japan-related topics.

### 11. Press Releases

(See preface to answer to Question 11, Section 11 (Press Releases) in Supplemental Statement for period ending June 30, 1971.)

Council issued the following press releases:

- February 11 - U.S. Secretary of Agricultural and Japanese Ambassador to Headline Trade Conference.
- February 11 - Japan Unilaterally Slashes Tariffs on 238 Items
- February 25 - Trade Council Supports Export Expansion
- March 27 - Secretary Butz Lauds Japan as American Farmers' Leading Customer

The Council organized a press conference in Washington on May 30 for the Japanese mission to promote exports to the U.S., which had just completed a two-week tour of the U.S. Considerable press coverage resulted.

12. Travel to Japan

(See preface to answer to Question 11, Section 12 (Travel to Japan) in Supplemental Statement for the period ending June 30, 1971.)

Council participated in a Japanese Government program to invite Congressional staff members and members of the news media to Japan. Council's role in the program was confined to suggesting individuals for consideration, or commenting on individuals under consideration by the Japanese Government.

The following Congressional staff members went to Japan for two weeks during this period, with expenses paid by the Japanese Government. They were among those suggested to the Japanese Government by the Council.

John Karlik, Senior Economist, Joint Economic Committee  
Robert Best, Staff Director, Subcommittee on Trade, Senate Finance Committee  
Kenneth Gunther, Executive Assistant to Senator Jacob Javits  
Morris Amitay, Legislative Assistant to Senator Abraham Ribicoff  
Walter Evans, Executive Assistant to Senator Mark Hatfield

Airline reservations and related arrangements were made by Charles von Loewenfeldt on behalf of the above-named individuals, plus:

Daniel Minchew, Administrative Assistant to Senator Herman Talmadge  
Thomas Vail, Chief Counsel, Senate Finance Committee  
James Woolsey, General Counsel, Senate Armed Services Committee

who were also invited by the Japanese Government, although not at the Council's suggestion. The cost of these trips was approximately \$2500 each.

Similar arrangements were made by Charles von Loewenfeldt for a fact-finding trip to Japan which the League of Women Voters was making under arrangements that the League had made with the Government of Japan.

13. Miscellaneous

On March 27, the Council published a full page advertisement in the Washington Post headed "The American Farmers' Best Customer: Japan". The ad described the significant U.S. farm exports to Japan and outlined future prospects for increased sales.

The Japan Economic Journal of April 11 contained an article by Stephen Cohen, Council's economist, on the future of U.S.-Japan trade relations.

On May 3 Henry Kearns, President of the U.S. Export-Import Bank, in an address before the Cleveland Committee on Foreign Relations, praised the U.S.-Japan Trade Council for its efforts to inform American people of the benefits of trade with Japan. Mr. Kearns' remarks on this subject were subsequently reproduced by the Bureau of National Affairs for circulation to its members.